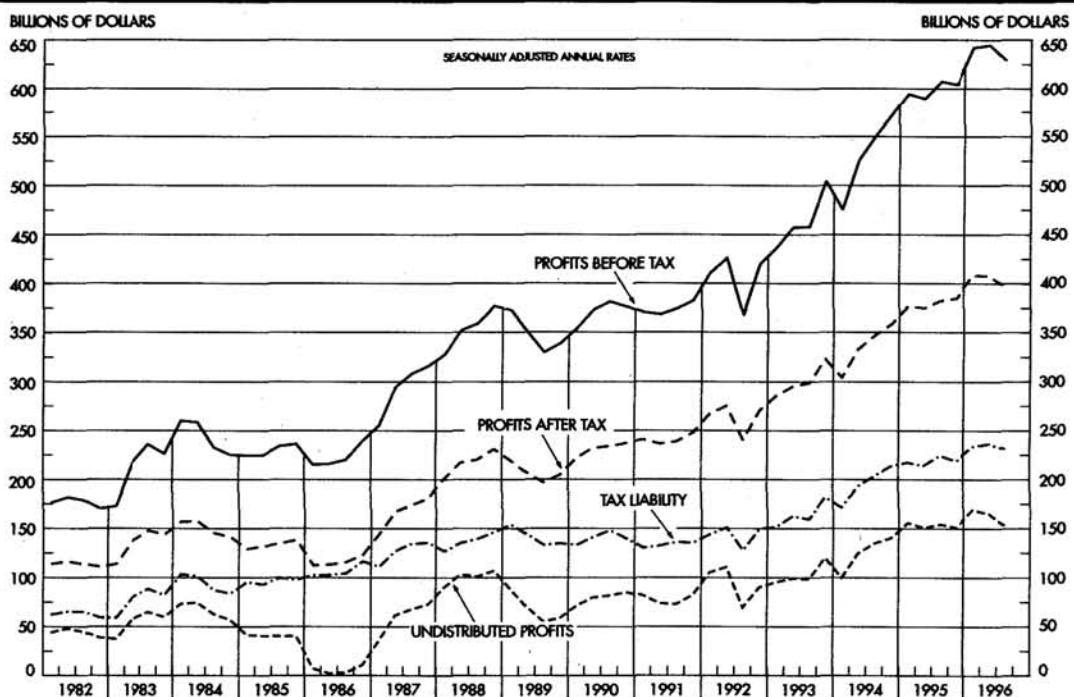


CORPORATE PROFITS

In the third quarter of 1996, according to preliminary estimates, corporate profits before tax fell \$15.7 billion (annual rate) and profits after tax fell \$10.6 billion.



SOURCE: DEPARTMENT OF COMMERCE

COUNCIL OF ECONOMIC ADVISERS

[Billions of dollars; quarterly data at seasonally adjusted annual rates]

Period	Profits (before tax) with inventory valuation adjustment ¹							Profits before tax	Tax liability	Profits after tax			Inventory valuation adjustment	
	Total ²	Domestic industries								Total	Dividends	Undistributed profits		
		Total	Financial	Nonfinancial						Total	Manufacturing	Wholesale	Retail	
1987	272.9	231.3	37.1	194.2	85.0	16.7	23.9	293.6	127.1	166.5	107.0	59.5	-20.7	
1988	325.0	274.3	43.0	231.2	115.1	19.3	19.6	354.3	137.0	217.3	116.8	100.5	-29.3	
1989	330.6	272.6	53.1	219.6	109.3	20.4	20.7	348.1	141.3	206.8	138.9	67.9	-17.5	
1990	358.2	292.5	68.6	223.8	112.3	17.2	20.6	371.7	140.5	231.2	151.9	79.4	-13.5	
1991	378.2	309.5	87.4	222.1	92.7	20.6	26.1	374.2	133.4	240.8	163.1	77.7	4.0	
1992	398.9	334.0	83.7	250.3	96.3	23.0	32.2	406.4	143.0	263.4	169.5	93.9	-7.5	
1993	457.7	388.1	91.0	297.2	109.7	25.5	39.2	464.3	163.8	300.5	197.3	103.2	-6.6	
1994	517.9	453.7	94.4	359.3	142.7	34.5	42.2	531.2	195.3	335.9	211.0	124.8	-13.3	
1995	570.8	494.1	119.1	375.0	145.7	29.6	38.7	598.9	218.7	380.2	227.4	152.8	-28.1	
1991: IV	375.2	303.6	87.6	216.1	83.8	17.0	28.6	382.8	135.2	247.6	165.3	82.2	-7.6	
1992: IV	420.5	361.2	83.1	278.1	105.1	28.3	37.3	420.3	149.7	270.6	180.4	90.3	.2	
1993: I	422.4	347.0	85.7	261.2	90.4	17.9	36.3	437.0	151.5	285.6	190.2	95.3	-14.6	
II	442.0	375.7	88.1	287.6	108.4	28.6	38.1	457.6	162.6	295.0	195.8	99.2	-15.6	
III	465.9	393.1	88.8	304.3	106.0	27.0	42.4	458.0	159.3	298.6	200.2	98.4	7.9	
IV	500.5	436.8	101.3	335.4	134.0	28.7	39.8	504.5	181.7	322.8	202.9	119.9	-4.0	
1994: I	471.6	407.0	64.9	342.1	145.3	28.8	38.3	475.5	171.4	304.1	204.4	99.7	-3.9	
II	516.2	452.4	97.8	354.6	134.2	39.5	43.2	526.0	192.8	333.3	208.8	124.5	-9.8	
III	534.3	469.9	108.4	361.5	142.8	34.3	43.7	550.8	203.4	347.4	212.5	134.9	-16.5	
IV	549.6	485.5	106.4	379.0	148.4	35.4	43.6	572.4	213.5	358.8	218.5	140.3	-22.8	
1995: I	542.6	467.5	114.3	353.2	134.7	29.7	36.0	594.5	217.3	377.2	221.7	155.5	-51.9	
II	547.3	468.2	112.6	355.6	137.8	26.4	36.6	589.6	214.2	375.3	224.6	150.8	-42.3	
III	597.9	527.1	130.4	396.7	153.2	31.2	42.5	607.2	224.5	382.8	228.5	154.3	-9.3	
IV	595.3	513.7	119.3	394.4	157.3	31.2	39.6	604.2	218.7	385.5	234.7	150.8	-8.8	
1996: I	624.8	541.6	134.9	406.7	161.3	37.5	41.7	642.2	233.4	408.8	239.9	168.9	-17.4	
II	633.5	555.1	136.6	418.5	164.7	32.8	44.3	644.6	236.4	408.1	243.1	165.1	-11.0	
III ^a	631.0	556.2	134.5	421.7	628.9	231.4	397.5	245.2	152.3	*2.1	

¹ See p. 4 for profits with inventory valuation and capital consumption adjustments.

² Includes rest of the world, not shown separately.

³ Includes industries not shown separately.

Source: Department of Commerce, Bureau of Economic Analysis.